

**BOARD OF ECONOMIC DEVELOPMENT
GOED CONFERENCE ROOM, 711 E WELLS AVE, PIERRE, SD
TUESDAY, AUGUST 12, 2014, 9:30 A.M. CT**

Members Present

Chairman Jeff Erickson, Dale Clement, Tony Klein, Sharon Casey, John Calvin, Mike Luken, Greg Heineman, Tim Kessler, Ted Hustead, Don Kettering, Pat Prostrullo, Rob Skjonsberg, David Lust, and Bruce Rampelberg

Staff Present

Commissioner Pat Costello, Deputy Commissioner Aaron Scheibe, Kim Easland, Travis Dovre, Ashley Moore, Cherissa Nielson, LaJena Gruis, and Hunter Roberts

Other Staff Present

Mandy Kuipers - BankWest, Inc.

Others Present

Bob Mercer

Call to Order

Chairman Erickson called the meeting to order at 9:31 A.M.

Agenda

A motion was made by Tony Klein and seconded by Sharon Casey to approve the agenda as presented.

Motion passed by a roll call vote.

Minutes

A motion was made by Dale Clement and seconded by Tim Kessler to approve the minutes of the meetings held July 8, 2014 and August 1, 2014, as presented.

Motion passed by a roll call vote.

Executive Session

A motion was made by Don Kettering and seconded by Ted Hustead to enter into executive session at 9:52 a.m. to discuss contract matters, and commercial and financial information relating to loan and other assistance to applicants.

Motion passed by a roll call vote.

Executive Session Report

The Chairman declared the board out of executive session at 10:19 a.m. The Chairman reported that the Board of Economic Development entered into Executive Session to discuss contract matters and commercial and financial information relating to loan and other assistance to applicants.

A motion was made by Tim Kessler and seconded by Ted Hustead to approve the chairman's report from executive session.

Motion passed by a roll call vote.

Loan Reviews

Aberdeen Development Corporation, Black Hills Fiberglass, LLC, Custom Touch Homes, LLC, Dak-Lan, LLC, Integra Plastics, Inc., and Lake Area Improvement Corporation

A motion was made by Dale Clement and seconded by Pat Prostrullo to approve the loan reviews and recommendations as presented.

Motion passed by a roll call vote.

Old Business

Black Hills Fiberglass, LLC

A motion was made by Sharon Casey and seconded by Mike Luken to approve releasing the corporate guaranty in exchange for two personal guarantees, contingent upon the bank agreeing.

Motion passed by a roll call vote.

DBI Holdings, LLC

A motion was made by Pat Prostrullo and seconded by Dale Clement to approve removing the corporate guaranty requirement.

Motion passed by a roll call vote.

Novita Aurora, LLC

A motion was made by Pat Prostrullo and seconded by Mike Luken to approve a six month permit extension.

Motion passed by a roll call vote.

New Business

Day County Wind II, LLC

A motion was made by Sharon Casey and seconded by Tony Klein to approve the Reinvestment Payment application of Day County Wind II, LLC as recommended by staff in the board packet and extend the construction commencement date to August 2015.

- Based on the representations and project description contained in the application for reinvestment payment, including but not limited to the representations concerning jobs created or retained and wages and benefits to be paid, a new or expanded facility reinvestment payment of \$4,419,600.00, but not to exceed 75 percent of the State Sales and Use Tax paid on eligible project costs, is approved for Day County Wind II, LLC. The project as completed must be substantially similar to the project described in the application and must comply with the deadlines set out SDCL Ch. 1-16G and ARSD Ch. 68:02:07. The board has considered the factors set out in SDCL 1-16G-59 and ARSD 68:02:07:04 and the likelihood the project would not be located in South Dakota absent the reinvestment payment. Staff is authorized to issue a permit consistent with the application, this approval and the applicable provisions of SDCL Ch. 1-16G and ARSD Ch. 68:02:07.

Motion passed by a roll call vote.

Hansen Manufacturing Corporation

A motion was made by Ted Hustead and seconded by Don Kettering to approve the Reinvestment Payment application of Hansen Manufacturing Corporation as recommended by staff in the board packet.

- Based on the representations and project description contained in the application for reinvestment payment, including but not limited to the representations concerning jobs created or retained and wages and benefits to be paid, the request of Hansen Manufacturing Corporation for an equipment upgrades reinvestment payment of \$294,543.00, but not to exceed the State Sales and Use Tax paid on eligible equipment costs, is approved for Hansen Manufacturing Corporation. The project as completed must be substantially similar to the project described in the application and must comply with the deadlines set out SDCL Ch. 1-16G and ARSD Ch. 68:02:07. The board has considered the factors set out in SDCL 1-16G-59

and ARSD 68:02:07:04 and the likelihood the project would not be located in South Dakota absent the reinvestment payment. Staff is authorized to issue a permit consistent with the application, this approval and the applicable provisions of SDCL Ch. 1-16G and ARSD Ch. 68:02:07.

Motion passed by a roll call vote.

Bills

A motion was made by Sharon Casey and seconded by Pat Prostrullo to approve the bill payable to Moody's Analytics in the amount of \$3,226.00 for the Annual Fee for Moody's Risk Analytics Software.

Motion passed by a roll call vote.

Adjourn

A motion was made by Tony Klein and seconded by Rob Skjonsberg to adjourn the meeting at 10:25 a.m.

Motion passed by a roll call vote.



Dale Clement, Secretary or
Tony Klein, Treasurer